

Statistical Section

SCHEDULE OF REVENUES BY SOURCE AND EXPENSES BY TYPE**Revenues by Source**

| Fiscal Year | Member Contributions | Employer Contributions | Employer Contributions as a Percentage of Annual Covered Payroll | Investment and Other Income | Purchased Service Credit | Total |
|--------------------|-----------------------------|-------------------------------|-------------------------------------------------------------------------|------------------------------------|---------------------------------|----------------|
| 1996 | \$ 18,988,538 | \$ 18,988,538 | 6.75% | \$ 114,825,104 | \$ 575,800 | \$ 153,377,980 |
| 1997 | 19,693,130 | 19,693,130 | 6.75 | 156,487,387 | 771,027 | 196,644,674 |
| 1998 | 23,326,328 | 23,326,328 | 7.75 | 132,187,852 | 759,105 | 179,599,613 |
| 1999 | 24,257,091 | 24,257,131 | 7.75 | 129,906,989 | 636,015 | 179,057,226 |
| 2000 | 25,528,245 | 25,527,734 | 7.75 | 146,483,648 | 2,509,576 | 200,049,203 |
| 2001 | 26,289,672 | 26,289,206 | 7.75 | (107,137,559) | 1,942,467 | (52,616,214) |
| 2002 | 27,244,008 | 27,243,542 | 7.75 | (110,415,690) | 1,927,764 | (54,000,376) |
| 2003 | 28,851,110 | 28,850,725 | 7.75 | 24,501,262 | 2,507,168 | 84,710,265 |
| 2004 | 29,635,970 | 29,635,584 | 7.75 | 220,243,131 | 4,383,456 | 283,898,141 |
| 2005 | 30,388,650 | 30,388,265 | 7.75 | 180,763,780 | 3,292,441 | 244,833,136 |

Expenses by Type

| Fiscal Year | Benefits Paid to Participants | Refunds | Administrative Charges | Total |
|--------------------|--------------------------------------|----------------|-------------------------------|---------------|
| 1996 | \$ 38,546,098 | \$ 2,644,413 | \$ 858,258 | \$ 42,048,769 |
| 1997 | 39,522,935 | 2,590,766 | 832,223 | 42,945,924 |
| 1998 | 43,706,492 | 2,671,933 | 789,830 | 47,168,255 |
| 1999 | 46,120,317 | 2,877,423 | 944,654 | 49,942,394 |
| 2000 | 53,583,271 | 2,788,019 | 1,015,549 | 57,386,839 |
| 2001 | 57,740,914 | 3,127,841 | 1,099,331 | 61,968,086 |
| 2002 | 67,482,482 | 2,743,408 | 1,066,309 | 71,292,199 |
| 2003 | 72,044,977 | 1,729,764 | 1,056,611 | 74,831,352 |
| 2004 | 77,153,054 | 5,800,100 | 1,513,788 | 84,466,942 |
| 2005 | 84,498,130 | 2,733,407 | 2,086,849 | 89,318,386 |

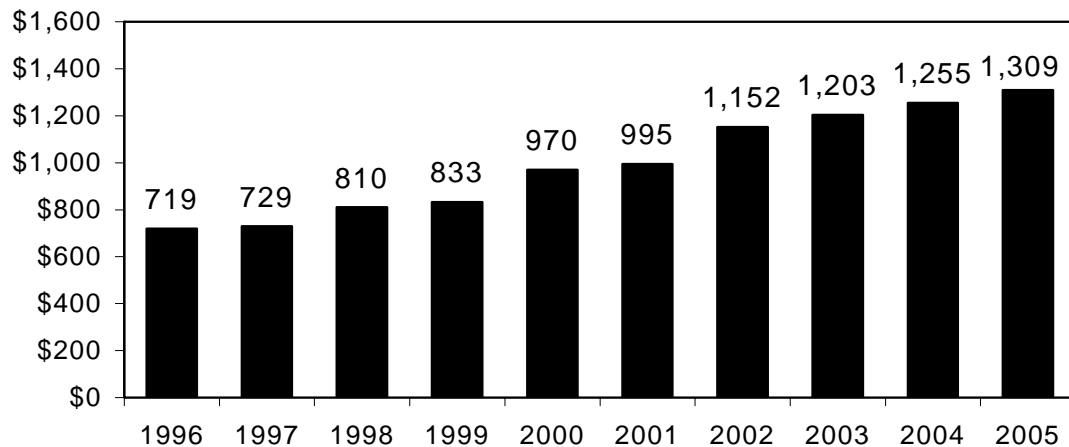
SCHEDULE OF BENEFIT EXPENSES BY TYPE

| Annuity Payments | | | | | Refunds * | | | | |
|-------------------------|----------------------------|---------------------------|-------------------------------|----------------------|-------------------------------|-------------------|--------------|----------------------|-------------------------------|
| Year | Service Retirements | PLSO Distributions | Disability Retirements | Beneficiaries | Total Annuity Payments | Separation | Death | Total Refunds | Total Benefit Expenses |
| 1996 | \$ 35,638,025 | | \$ 296,857 | \$ 2,611,216 | \$ 38,546,098 | | | \$ 2,644,413 | \$ 41,190,511 |
| 1997 | 36,436,197 | | 328,214 | 2,758,524 | 39,522,935 | \$ 2,581,545 | \$ 9,221 | 2,590,766 | 42,113,701 |
| 1998 | 40,428,510 | | 427,861 | 2,850,121 | 43,706,492 | 2,581,489 | 90,444 | 2,671,933 | 46,378,425 |
| 1999 | 42,529,225 | | 487,987 | 3,103,105 | 46,120,317 | 2,877,178 | 245 | 2,877,423 | 48,997,740 |
| 2000 | 49,624,550 | | 559,211 | 3,399,510 | 53,583,271 | 2,945,162 | 182,679 | 3,127,841 | 56,711,112 |
| 2001 | 52,946,453 | | 781,619 | 4,012,842 | 57,740,914 | 2,435,789 | 307,619 | 2,743,408 | 60,484,322 |
| 2002 | 62,037,432 | | 841,690 | 4,603,360 | 67,482,482 | 2,522,300 | 221,108 | 2,743,408 | 70,225,890 |
| 2003 | 66,307,771 | | 885,718 | 4,851,489 | 72,044,977 | 1,660,035 | 69,729 | 1,729,764 | 73,774,741 |
| 2004 | 71,091,246 | \$ 40,136 | 893,973 | 5,127,699 | 77,153,054 | 5,686,052 | 114,048 | 5,800,100 | 79,886,461 |
| 2005 | 77,838,622 | 372,761 | 890,333 | 5,396,414 | 84,498,130 | 2,581,112 | 152,295 | 2,733,407 | 87,231,537 |

* Detail not available for refunds for 1996.

SCHEDULE OF AVERAGE BENEFIT PAYMENTS

| Fiscal Year | | Years of Service | | | | | | | TOTAL |
|----------------|--------------------------|------------------|---------|---------|---------|---------|---------|-------|-------|
| | | < 10 | 10 - 14 | 15 - 19 | 20 - 24 | 25 - 29 | 30 - 34 | > 34 | |
| 1996 | Number of Retirees | 85 | 393 | 437 | 516 | 991 | 982 | 1,099 | 4,503 |
| | Average Monthly Benefit | 197 | 208 | 328 | 498 | 627 | 933 | 1,094 | 719 |
| | Average Years of Service | 6 | 12 | 17 | 22 | 27 | 32 | 39 | 28 |
| 1997 | Number of Retirees | 99 | 391 | 436 | 511 | 984 | 976 | 1,065 | 4,462 |
| | Average Monthly Benefit | 223 | 209 | 332 | 505 | 645 | 954 | 1,113 | 729 |
| | Average Years of Service | 6 | 12 | 17 | 22 | 27 | 32 | 39 | 28 |
| 1998 | Number of Retirees | 108 | 397 | 429 | 518 | 1,002 | 1,046 | 1,085 | 4,585 |
| | Average Monthly Benefit | 190 | 258 | 375 | 559 | 722 | 1,075 | 1,207 | 810 |
| | Average Years of Service | 6 | 12 | 17 | 22 | 27 | 32 | 39 | 28 |
| 1999 | Number of Retirees | 124 | 396 | 423 | 528 | 973 | 1,056 | 1,068 | 4,568 |
| | Average Monthly Benefit | 199 | 252 | 385 | 585 | 747 | 1,108 | 1,235 | 833 |
| | Average Years of Service | 6 | 12 | 17 | 22 | 27 | 32 | 39 | 28 |
| 2000 | Number of Retirees | 137 | 403 | 438 | 554 | 1,030 | 1,156 | 1,109 | 4,827 |
| | Average Monthly Benefit | 223 | 325 | 455 | 683 | 897 | 1,279 | 1,417 | 970 |
| | Average Years of Service | 6 | 12 | 18 | 22 | 27 | 32 | 39 | 28 |
| 2001 | Number of Retirees | 146 | 404 | 416 | 545 | 1,012 | 1,174 | 1,080 | 4,777 |
| | Average Monthly Benefit | 235 | 401 | 455 | 696 | 942 | 1,311 | 1,442 | 995 |
| | Average Years of Service | 6 | 12 | 17 | 22 | 27 | 32 | 39 | 28 |
| 2002 | Number of Retirees | 171 | 412 | 417 | 567 | 1,066 | 1,332 | 1,089 | 5,054 |
| | Average Monthly Benefit | 318 | 354 | 519 | 804 | 1,080 | 1,513 | 1,651 | 1,152 |
| | Average Years of Service | 6 | 12 | 17 | 22 | 27 | 32 | 39 | 28 |
| 2003 | Number of Retirees | 187 | 420 | 409 | 585 | 1,076 | 1,409 | 1,091 | 5,177 |
| | Average Monthly Benefit | 259 | 391 | 533 | 826 | 1,140 | 1,592 | 1,716 | 1,203 |
| | Average Years of Service | 6 | 12 | 17 | 22 | 27 | 32 | 39 | 28 |
| 2004 | Number of Retirees | 206 | 426 | 399 | 597 | 1,130 | 1,513 | 1,102 | 5,373 |
| | Average Monthly Benefit | 264 | 398 | 545 | 879 | 1,212 | 1,657 | 1,751 | 1,255 |
| | Average Years of Service | 6 | 12 | 17 | 23 | 27 | 32 | 39 | 28 |
| 2005 | Number of Retirees | 230 | 431 | 403 | 615 | 1,182 | 1,612 | 1,113 | 5,586 |
| | Average Monthly Benefit | 272 | 377 | 577 | 887 | 1,281 | 1,722 | 1,833 | 1,309 |
| | Average Years of Service | 6 | 12 | 17 | 23 | 27 | 32 | 38 | 28 |



SCHEDULE OF RETIREES BY BENEFIT AMOUNT

| Monthly Benefit Amount | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1996 |
|---------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Under \$199 | 157 | 146 | 134 | 119 | 154 | 146 | 218 | 209 | 311 | 298 |
| 200 to 399 | 465 | 466 | 473 | 481 | 646 | 669 | 904 | 929 | 1,020 | 1,045 |
| 400 to 599 | 619 | 637 | 671 | 705 | 927 | 997 | 1,007 | 1,071 | 1,077 | 1,142 |
| 600 to 799 | 593 | 637 | 663 | 715 | 538 | 564 | 477 | 492 | 477 | 488 |
| 800 to 999 | 432 | 434 | 439 | 458 | 490 | 497 | 482 | 476 | 438 | 419 |
| 1,000 to 1,199 | 528 | 517 | 513 | 503 | 470 | 459 | 410 | 394 | 365 | 357 |
| 1,200 to 1,399 | 478 | 458 | 450 | 431 | 417 | 405 | 357 | 349 | 289 | 279 |
| 1,400 to 1,599 | 474 | 455 | 432 | 423 | 349 | 343 | 237 | 230 | 189 | 185 |
| 1,600 to 1,799 | 422 | 392 | 358 | 327 | 229 | 225 | 166 | 160 | 110 | 109 |
| 1,800 to 1,999 | 382 | 348 | 297 | 261 | 173 | 164 | 100 | 94 | 67 | 63 |
| 2,000 & Over * | | | 747 | 631 | 384 | 358 | 210 | 181 | 119 | 118 |
| 2,000 to 2,199 | 270 | 245 | | | | | | | | |
| 2,200 to 2,399 | 227 | 202 | | | | | | | | |
| 2,400 to 2,599 | 157 | 133 | | | | | | | | |
| 2,600 to 2,799 | 119 | 105 | | | | | | | | |
| 2,800 to 2,999 | 86 | 68 | | | | | | | | |
| 3,000 & Over | 177 | 130 | | | | | | | | |
| TOTAL | 5,586 | 5,373 | 5,177 | 5,054 | 4,777 | 4,827 | 4,568 | 4,585 | 4,462 | 4,503 |

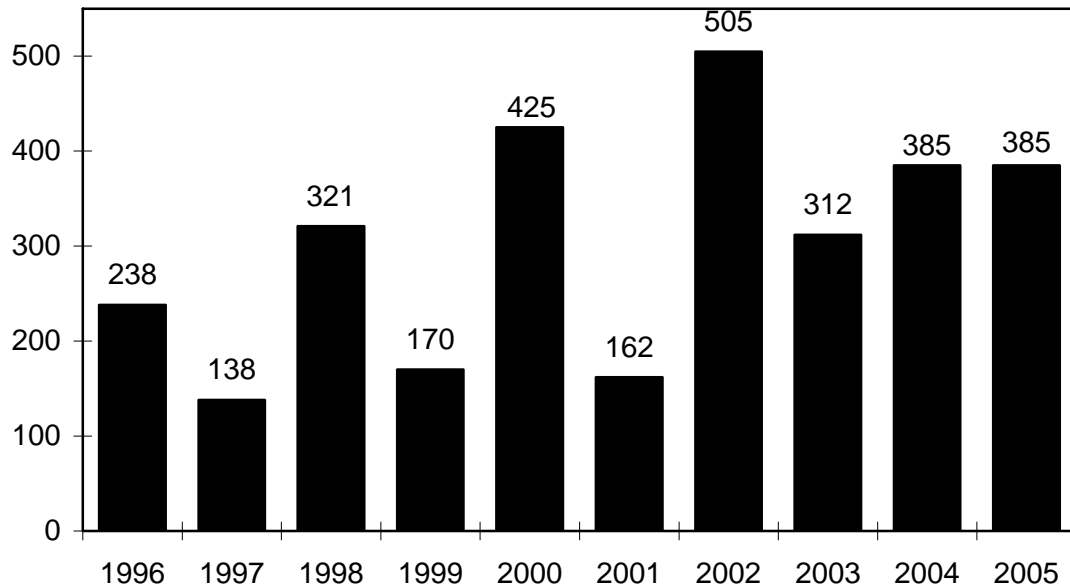
* Breakdown of data for monthly benefits > \$2,000 is not available for fiscal years prior to 2004.

SCHEDULE OF RETIREES BY BENEFIT TYPE

| Type of Benefit/ Form of Payment | 2005 | 2004 | 2003 | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1996 |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Service: | | | | | | | | | | |
| Straight Life | 2,544 | 2,527 | 2,531 | 2,566 | 2,566 | 2,674 | 2,661 | 2,760 | 2,787 | 2,858 |
| 100% J&S | 1,361 | 1,243 | 1,128 | 1,030 | 872 | 862 | 719 | 675 | 591 | 591 |
| 50% J&S | 372 | 357 | 333 | 328 | 301 | 303 | 281 | 286 | 270 | 268 |
| 5 Years C&L | 34 | 35 | 34 | 32 | 31 | 33 | 31 | 31 | 30 | 28 |
| 10 Years C&L | 154 | 151 | 149 | 149 | 140 | 141 | 130 | 129 | 122 | 119 |
| 20 Years C&L | 16 | 8 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Level | 539 | 495 | 458 | 422 | 354 | 335 | 279 | 256 | 211 | 196 |
| Subtotal | 5,020 | 4,816 | 4,633 | 4,527 | 4,264 | 4,348 | 4,101 | 4,137 | 4,011 | 4,060 |
| Disability: | | | | | | | | | | |
| Straight Life | 61 | 59 | 57 | 55 | 50 | 44 | 41 | 38 | 33 | 33 |
| 100% J&S | 9 | 10 | 11 | 10 | 10 | 10 | 7 | 5 | 5 | 3 |
| 50% J&S | 5 | 6 | 9 | 8 | 7 | 5 | 4 | 3 | 3 | 3 |
| 5 Years C&L | 2 | 2 | 2 | 2 | 2 | 2 | 1 | 1 | 1 | 1 |
| 10 Years C&L | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 2 | 0 | 0 |
| 20 Years C&L | 1 | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Subtotal | 79 | 79 | 80 | 76 | 70 | 62 | 54 | 49 | 42 | 40 |
| Beneficiaries: | | | | | | | | | | |
| Straight Life | 466 | 457 | 442 | 439 | 431 | 407 | 404 | 394 | 403 | 396 |
| 5 Years C&L | 9 | 9 | 6 | 2 | 2 | 1 | 1 | 1 | 0 | 1 |
| 10 Years C&L | 12 | 12 | 16 | 10 | 10 | 9 | 8 | 4 | 6 | 6 |
| Subtotal | 487 | 478 | 464 | 451 | 443 | 417 | 413 | 399 | 409 | 403 |
| TOTAL | 5,586 | 5,373 | 5,177 | 5,054 | 4,777 | 4,827 | 4,568 | 4,585 | 4,462 | 4,503 |

SCHEDULE OF NEW RETIREES BY TYPE

| <u>Year Ended June 30</u> | <u>Retirement</u> | <u>Disability</u> | <u>Beneficiary</u> | <u>Total</u> |
|------------------------------------------|--------------------------|--------------------------|---------------------------|---------------------|
| 1996 | 191 | 16 | 31 | 238 |
| 1997 | 99 | 10 | 29 | 138 |
| 1998 | 291 | 9 | 21 | 321 |
| 1999 | 133 | 7 | 30 | 170 |
| 2000 | 391 | 11 | 23 | 425 |
| 2001 | 115 | 9 | 38 | 162 |
| 2002 | 456 | 10 | 39 | 505 |
| 2003 | 266 | 6 | 40 | 312 |
| 2004 | 342 | 5 | 38 | 385 |
| 2005 | 351 | 6 | 28 | 385 |



SCHEDULE OF RETIREES RESIDING IN NORTH DAKOTA BY COUNTY

| County | Number | Average Benefit | County | Number | Average Benefit | County | Number | Average Benefit |
|---------------|--------|--------------------|-----------|--------|--------------------|---------------|--------|--------------------|
| Adams | 18 | \$ 1,266 | Griggs | 24 | \$ 970 | Richland | 100 | \$ 1,289 |
| Barnes | 135 | 1,269 | Hettinger | 25 | 1,603 | Rolette | 51 | 1,206 |
| Benson | 28 | 1,262 | Kidder | 20 | 1,102 | Sargent | 30 | 1,055 |
| Billings | 2 | 1,464 | LaMoure | 42 | 1,277 | Sheridan | 15 | 1,116 |
| Bottineau | 78 | 1,184 | Logan | 24 | 1,070 | Sioux | 5 | 873 |
| Bowman | 39 | 1,408 | McHenry | 51 | 1,106 | Slope | 2 | 443 |
| Burke | 28 | 1,257 | McIntosh | 29 | 1,441 | Stark | 166 | 1,371 |
| Burleigh | 574 | 1,472 | McKenzie | 31 | 1,200 | Steele | 13 | 883 |
| Cass | 602 | 1,496 | McLean | 87 | 1,189 | Stutsman | 153 | 1,218 |
| Cavalier | 51 | 1,249 | Mercer | 50 | 1,316 | Towner | 23 | 1,133 |
| Dickey | 52 | 974 | Morton | 179 | 1,482 | Trail | 72 | 1,337 |
| Divide | 22 | 1,502 | Mountrail | 55 | 1,222 | Walsh | 108 | 1,401 |
| Dunn | 18 | 880 | Nelson | 54 | 1,230 | Ward | 413 | 1,412 |
| Eddy | 34 | 1,253 | Oliver | 14 | 1,484 | Wells | 51 | 1,182 |
| Emmons | 27 | 927 | Pembina | 63 | 1,114 | Williams | 149 | 1,325 |
| Foster | 30 | 1,299 | Pierce | 38 | 1,410 | Out-of-State | 1,060 | 1,095 |
| Golden Valley | 17 | 1,077 | Ramsey | 120 | 1,235 | | | |
| Grand Forks | 419 | 1,573 | Ransom | 50 | 1,217 | | | |
| Grant | 22 | 849 | Renville | 23 | 1,271 | | | |
| | | | | | | GRAND TOTALS: | 5,586 | \$ 1,309 |

SCHEDULE OF PARTICIPATING EMPLOYERS AT JUNE 30, 2005**School Districts**

| | | |
|--------------------------|-------------------------|---------------------------------|
| Adams | Fort Ransom Elementary | Mayville – Portland CG |
| Alexander | Fort Totten | McClusky |
| Anamoose | Fort Yates | McKenzie County School District |
| Apple Creek Elementary | Gackle-Streeter | Medina |
| Ashley | Garrison | Menoken Elementary |
| Bakker Elementary | Glen Ullin | Midkota |
| Baldwin Elementary | Glenburn | Midway |
| Beach | Golden Valley | Milnor |
| Belcourt | Goodrich | Minnewauken |
| Belfield | Grafton | Minot |
| Bell Elementary | Grand Forks | Minto |
| Beulah | Grenora | Mohall-Lansford-Sherwood |
| Billings County School | Griggs County Central | Montefiore |
| Bisbee/Egland | Halliday | Montpelier |
| Bismarck | Hankinson | Mott-Regent |
| Border Central | Harvey | Mt. Pleasant |
| Bottineau | Hatton | Munich |
| Bowbells | Hazelton – Moffit | Napoleon |
| Bowline Butte Elementary | Hazen | Nash Elementary |
| Bowman | Hebron | Naughton Rural |
| Burke Central | Hettinger | Neché |
| Carrington | Hillsboro | Nedrose |
| Cavalier | Hope | Nesson |
| Center-Stanton | Horse Creek Elementary | New Elementary |
| Central Cass | Jamestown | New England |
| Central Elementary | Kenmare | New Horizons ITV |
| Central Valley | Kensal | New Rockford |
| Dakota Prairie | Killdeer | New Salem |
| Devils Lake | Kindred | New Town |
| Dickinson | Kulm | Newburg United |
| Divide | Lakota | North Central of Barnes |
| Dodge Elementary | LaMoure | North Central of Towner |
| Drake | Langdon | North Sargent |
| Drayton | Lankin Elementary | Northern Cass |
| Dunseith | Larimore | Northwood |
| Earl Elementary | Leeds | Oakes |
| Edgeley | Lewis and Clark | Oberon Elementary |
| Edinburg | Lidgerwood | Page |
| Edmore | Linton | Park River |
| Eight Mile | Lisbon | Parshall |
| Elgin/New Leipzig | Litchville-Marion | Pembina |
| Ellendale | Little Heart Elementary | Pettibone |
| Emerado Elementary | Lone Tree Elementary | Pingree – Buchanan |
| Enderlin | Maddock | Pleasant Valley Elementary |
| Eureka Elementary | Mandan | Powers Lake |
| Fairmount | Mandaree | Rhame |
| Fargo | Manning Elementary | Richardton |
| Fessenden-Bowdon | Manvel Elementary | Richland |
| Finley-Sharon | Maple Valley | Robinson |
| Flasher | Mapleton Elementary | Rolette |
| Fordville | Marmarth Elementary | Roosevelt |
| | Max | |

SCHEDULE OF PARTICIPATING EMPLOYERS (Continued)**School Districts (cont.)**

Rugby
 Sargent Central
 Sawyer
 Scranton
 Selfridge
 Sheets Elementary
 Sheldon
 Sheyenne
 Sims Elementary
 Solen – Cannonball
 South Heart
 South Prairie Elementary
 Southern
 Spiritwood Elementary
 St. John's School
 St. Thomas
 Stanley
 Starkweather
 Steele – Dawson
 Sterling Elementary
 Strasburg
 Surrey
 Sweet Briar Elementary
 Sykeston
 Tappen
 TGU
 Thompson
 Tioga
 Turtle Lake – Mercer
 Tuttle
 Twin Buttes Elementary
 Underwood
 United
 Valley
 Valley City
 Velva
 Verona
 Wahpeton
 Walhalla
 Warwick
 Washburn
 West Fargo
 Westhope
 White Shield
 Wildrose
 Williston
 Wimbledon – Courtenay
 Wing
 Wishek
 Wolford
 Wyndmere

Yellowstone

Zeeland

Total School Districts 207**County Superintendents**

Billings County
 Bottineau County
 Bowman County
 Grant County
 LaMoure County
 Logan County
 McHenry County
 McKenzie County
 Morton County
 Nelson County
 Richland County
 Rolette County
 Slope County
 Ward County
 Williams County

Total County Supts. 15**Special Education Units**

Burleigh County Special Ed.
 Dickey Lamoure Special Ed.
 East Central Special Ed.
 GST Educational
 Lake Region Special Ed.
 Lonetree Special Ed.
 Oliver – Mercer Special Ed.
 Peace Garden Special Ed.
 Pembina Special Ed.
 Rural Cass County Special Ed.
 Sheyenne Valley Special Ed.
 Souris Valley Special Ed.
 South Central Prairie Special Ed.
 South Valley Special Ed.
 Southwest Special Ed.
 Upper Valley Special Ed.
 West River Special Ed.
 Wil-Mac Special Ed.

Total Special Ed Units 18**Vocational Centers**

North Valley Career & Tech. Ctr
 Richland County Voc. Center
 Southeast Voc. Center
 Sheyenne Valley Area Voc. Ctr.
Total Vocational Centers 4

State Agencies & Institutions

Dept. of Public Instruction
 Division of Independent Study

ND School for the Blind
 ND School for the Deaf
 ND Youth Correctional Center
 State Brd for Career & Tech. Ed.

Total State Agencies & Institutions 6**Colleges/Universities**

Bismarck State College
 ND State College of Science
 ND State University
 University of ND – Lake Region
 Valley City State University

Total Colleges/Univ. 5**Other**

Fargo Catholic Schools Network
 ND High School Activities Assn.
 ND Council of Ed. Leaders
 ND Education Assn.
 Valley City Teacher Center

Total Other 5**Total Employers 260**

**PAYMENTS TO INVESTMENT CONSULTANTS
PENSION POOL PARTICIPANTS
FOR FISCAL YEARS ENDED JUNE 30**

| | 2005 | 2004 | 2003 | 2002 | 2001 |
|-----------------------------------------|------------------|------------------|------------------|------------------|------------------|
| INVESTMENT MANAGERS | | | | | |
| Domestic Large Cap Equity: | | | | | |
| AllianceBernstein Capital Management | \$ - | \$ 12,457 | \$ 137,107 | \$ 151,964 | \$ 170,278 |
| Ark Asset Management Company, Inc. | - | - | - | - | 0 |
| Los Angeles Capital Management | 660,619 | 520,099 | 263,973 | 280,792 | 282,817 |
| LSV Asset Management | 590,168 | 533,657 | 448,581 | 294,418 | 324,269 |
| Northern Trust Global Investments | 402,732 | 291,741 | 250,046 | 279,447 | 262,719 |
| State Street Global Advisors | 17,541 | 16,857 | 22,707 | 35,858 | 45,034 |
| Wells Capital Management Co. | - | 262,974 | 208,778 | 256,989 | 364,056 |
| Westridge Capital Management, Inc. | 493,687 | 452,368 | 417,561 | 737,898 | 256,246 |
| Total Domestic Large Cap Equity | 2,164,747 | 2,090,153 | 1,748,753 | 2,037,366 | 1,705,419 |
| Domestic Small Cap Equity: | | | | | |
| Nicholas-Applegate Capital Management | - | - | - | - | 553,613 |
| SEI Investments Management Co. | 2,370,310 | 2,242,925 | 1,691,371 | 1,936,560 | - |
| UBS Global Asset Management | - | - | - | - | 1,408,427 |
| Total Domestic Small Cap Equity | 2,370,310 | 2,242,925 | 1,691,371 | 1,936,560 | 1,962,040 |
| International Equity: | | | | | |
| Bank of Ireland Asset Management | 322,720 | 291,873 | 227,016 | 86,262 | - |
| Capital Guardian Trust Company | 693,054 | 851,348 | 629,489 | 693,003 | 729,367 |
| Lazard Asset Management | 345,025 | 307,157 | 246,569 | 82,230 | - |
| LSV Asset Management | 416,411 | - | - | - | - |
| State Street Global Advisors | 114,231 | 245,192 | 170,764 | 368,456 | 508,852 |
| Wellington Trust Company, NA | 403,531 | 387,222 | 307,985 | 106,925 | - |
| Total International Equity | 2,294,972 | 2,082,792 | 1,581,823 | 1,336,876 | 1,238,219 |
| Emerging Markets Equity: | | | | | |
| Capital Guardian Trust Company | 976,495 | 886,004 | 644,587 | 675,677 | 674,300 |
| Domestic Fixed Income: | | | | | |
| Bank of North Dakota | 52,529 | 50,271 | 44,239 | 53,531 | 55,322 |
| RMK Timberland Investment Mgmt. | 567,599 | 736,627 | 423,603 | 176,129 | - |
| Timberland Investment Resources | 455,891 | - | - | - | - |
| Trust Company of the West | 218,650 | 242,297 | 255,695 | 335,802 | 404,831 |
| Wells Capital Management, Inc. | 134,936 | 117,820 | 150,395 | 228,669 | 265,279 |
| Western Asset Management Company | 111,449 | 101,180 | 106,155 | 145,338 | 183,831 |
| WestLB Asset Management | 82,413 | 130,429 | 146,821 | 196,555 | 226,269 |
| Total Domestic Fixed Income | 1,623,467 | 1,378,624 | 1,126,908 | 1,136,024 | 1,135,532 |
| High Yield Fixed Income: | | | | | |
| Loomis Sayles | 437,397 | 92,700 | - | - | - |
| Wells Capital Management, Inc. | 422,859 | 96,369 | - | - | - |
| Western Asset Management Company | - | 198,017 | 249,265 | 266,409 | 296,678 |
| Total High Yield Fixed Income | 860,256 | 387,086 | 249,265 | 266,409 | 296,678 |
| International Fixed Income: | | | | | |
| UBS Global Asset Management | 297,226 | 267,101 | 423,731 | 478,521 | 501,752 |
| Brandywine Asset Management | 313,098 | 273,526 | 39,940 | - | - |
| Total International Fixed Income | 610,324 | 540,627 | 463,671 | 478,521 | 501,752 |

**PAYMENTS TO INVESTMENT CONSULTANTS
PENSION POOL PARTICIPANTS (Continued)
FOR FISCAL YEARS ENDED JUNE 30**

| | 2005 | 2004 | 2003 | 2002 | 2001 |
|--------------------------------------------|-------------------|------------------|-------------------|-------------------|-------------------|
| INVESTMENT MANAGERS (continued) | | | | | |
| Real Estate: | | | | | |
| Heitman/JMB Advisory Corp. | \$ - | \$ - | \$ - | \$ 23,141 | \$ 26,691 |
| INVESCO Realty Advisors | 642,900 | 777,309 | 634,499 | 741,084 | 757,962 |
| J.P. Morgan Investment Management, Inc. | 1,189,060 | 1,009,926 | 944,537 | 874,910 | 1,090,524 |
| Westmark Realty Advisors L.L.C. | - | - | - | - | 2,501 |
| Total Real Estate | <u>1,831,960</u> | <u>1,787,235</u> | <u>1,579,036</u> | <u>1,639,135</u> | <u>1,877,678</u> |
| Private Equity: | | | | | |
| Adams Street Partners | 1,075,470 | 1,152,935 | 1,220,639 | 1,325,000 | 1,325,000 |
| Coral Partners, Inc. | 1,689,769 | 1,684,712 | 1,646,036 | 1,003,190 | 959,047 |
| Hearthstone Homebuilding Investors, LLC | 4,542,006 | 2,354,122 | 1,307,083 | 1,036,884 | 584,209 |
| InvestAmerica L&C, LLC | 375,000 | 375,000 | 348,772 | - | - |
| Matlin Patterson Global Opportunities, LLC | 640,625 | 437,500 | 943,322 | - | - |
| Total Private Equity | <u>8,322,870</u> | <u>6,004,269</u> | <u>5,465,852</u> | <u>3,365,074</u> | <u>2,868,256</u> |
| Cash Equivalents: | | | | | |
| The Northern Trust Company, Inc. | <u>92,149</u> | <u>75,054</u> | <u>48,678</u> | <u>75,064</u> | <u>54,463</u> |
| Total Investment Manager Fees | <u>21,147,550</u> | <u>7,866,558</u> | <u>16,512,708</u> | <u>12,545,711</u> | <u>12,667,830</u> |
| INVESTMENT CUSTODIAN | | | | | |
| The Northern Trust Company, Inc | <u>665,915</u> | <u>523,890</u> | <u>548,056</u> | <u>626,718</u> | <u>535,136</u> |
| INVESTMENT CONSULTANT | | | | | |
| Callan Associates Inc. | <u>178,389</u> | <u>193,175</u> | <u>140,195</u> | <u>131,463</u> | <u>182,032</u> |
| SIB ADMINISTRATIVE FEES | <u>270,288</u> | <u>277,786</u> | <u>272,871</u> | <u>252,997</u> | <u>265,243</u> |
| SECURITIES LENDING FEES | | | | | |
| Rebates | 3,556,742 | 1,107,164 | 1,674,462 | 3,002,217 | 10,347,230 |
| Bank Fees | <u>262,466</u> | <u>212,251</u> | <u>185,818</u> | <u>205,838</u> | <u>257,804</u> |
| Total Securities Lending Fees | <u>3,819,208</u> | <u>1,319,415</u> | <u>1,860,280</u> | <u>3,208,055</u> | <u>10,605,034</u> |

**PAYMENTS TO INVESTMENT CONSULTANTS
INDIVIDUAL INVESTMENT ACCOUNT
FOR FISCAL YEARS ENDED JUNE 30**

| | 2005 | 2004 | 2003 | 2002 | 2001 |
|---------------------------------|-----------|-----------|-----------|-----------|-----------|
| INVESTMENT MANAGERS | | | | | |
| State Street Global Advisors | \$ 65,534 | \$ 56,210 | \$ 47,599 | \$ 50,380 | \$ 53,036 |
| INVESTMENT CUSTODIAN | | | | | |
| The Northern Trust Company, Inc | 652 | 648 | 1,692 | 2,740 | 2,743 |
| SIB ADMINISTRATIVE FEES | 2,696 | 2,618 | 2,587 | 2,251 | 2,325 |

**PAYMENTS TO INVESTMENT CONSULTANTS
INSURANCE POOL PARTICIPANTS
FOR FISCAL YEARS ENDED JUNE 30**

| | 2005 | 2004 | 2003 | 2002 | 2001 |
|-------------------------------------------------------|------------------|------------------|------------------|------------------|-------------------|
| INVESTMENT MANAGERS | | | | | |
| Domestic Large Cap Equity: | | | | | |
| AllianceBernstein Capital Management | \$ - | \$ 4,525 | \$ 50,673 | \$ 54,786 | \$ 52,883 |
| Los Angeles Capital Management | 130,010 | 62,875 | - | - | - |
| LSV Asset Management | 84,484 | 85,026 | 73,011 | 96,428 | 108,130 |
| State Street Global Advisors | 10,000 | 33,648 | 38,949 | 41,842 | 38,089 |
| Westridge Capital Management, Inc. | 110,895 | 27,844 | - | - | - |
| Total Domestic Large Cap Equity | 335,389 | 213,918 | 162,633 | 193,056 | 199,102 |
| Domestic Small Cap Equity: | | | | | |
| Brinson Partners, Inc. | - | - | - | - | 253,112 |
| Nicholas-Applegate Capital Management | - | - | - | - | 164,218 |
| SEI Investments Management | 521,070 | 548,495 | 453,329 | 484,616 | - |
| Total Domestic Small Cap Equity | 521,070 | 548,495 | 453,329 | 484,616 | 417,330 |
| International Equity: | | | | | |
| Capital Guardian Trust Company | 199,852 | 356,373 | 344,834 | 392,190 | 358,164 |
| Lazard Asset Management | 66,902 | 83,289 | 44,755 | - | - |
| LSV Asset Management | 101,949 | - | - | - | - |
| The Vanguard Group | 45,275 | 91,048 | 2,891 | - | - |
| Total International Equity | 413,978 | 530,710 | 392,480 | 392,190 | 358,164 |
| Convertible Bonds: | | | | | |
| Trust Company of the West | 292,953 | 505,255 | 466,670 | 492,572 | 478,858 |
| Domestic Fixed Income: | | | | | |
| Bank of North Dakota | 142,950 | 109,926 | 94,786 | 134,261 | 145,520 |
| Wells Capital Management, Inc. | 298,661 | 301,395 | 272,484 | 68,273 | - |
| Western Asset Management Company | 411,419 | 535,966 | 524,407 | 572,893 | 609,483 |
| Total Domestic Fixed Income | 853,030 | 947,287 | 891,677 | 775,427 | 755,003 |
| Treasury Inflation-Protected Securities (TIPS) | | | | | |
| Northern Trust Global Investments | 60,268 | - | - | - | - |
| Balanced Fund-State Street (Health Trust) | - | - | 41,346 | - | - |
| Total Investment Manager Fees | 2,476,688 | 2,745,665 | 2,408,135 | 2,337,861 | 2,208,457 |
| INVESTMENT CUSTODIAN | | | | | |
| The Northern Trust Company, Inc | 261,904 | 247,232 | 337,768 | 366,837 | 321,958 |
| INVESTMENT CONSULTANT | | | | | |
| Callan Associates | 140,608 | 110,159 | 87,266 | 69,955 | 63,139 |
| SIB ADMINISTRATIVE FEES | 108,712 | 373,650 | 120,095 | 79,815 | 94,145 |
| SECURITIES LENDING FEES | | | | | |
| Rebates | 5,720,527 | 1,422,043 | 1,811,453 | 3,907,272 | 11,106,470 |
| Bank Fees | 219,027 | 149,306 | 141,667 | 249,189 | 239,062 |
| Total Securities Lending Fees | 5,939,554 | 1,571,349 | 1,953,120 | 4,156,461 | 11,345,532 |

See reconciliation of current year investment expenses to financial statements on page 64.

SUMMARY OF OPERATIONS PENSION INVESTMENT POOL FOR FISCAL YEARS ENDED JUNE 30

| | 2005 | 2004 | 2003 | 2002 | 2001 |
|----------------------------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Public Employees Retirement System | | | | | |
| Net assets beginning of year | \$ 1,304,738,956 | \$ 1,126,095,333 | \$ 1,080,040,861 | \$ 1,170,179,844 | \$ 1,232,890,945 |
| Net increase/(decrease) | | | | | |
| in fair value of investments | 154,870,263 | 156,289,529 | 22,232,141 | (115,940,983) | (96,066,919) |
| Interest, dividends and other income | 34,148,529 | 34,280,353 | 36,951,759 | 38,541,144 | 44,862,313 |
| Investment expenses | 5,316,187 | 4,043,903 | 3,575,041 | 3,727,939 | 4,108,479 |
| Net securities lending income | 260,073 | 218,294 | 195,613 | 238,795 | 301,984 |
| Net incr/(decr) in net assets resulting from unit transactions | (13,000,000) | (8,100,650) | (9,750,000) | (9,250,000) | (7,700,000) |
| Net assets end of year | <u>\$ 1,475,701,634</u> | <u>\$ 1,304,738,956</u> | <u>\$ 1,126,095,333</u> | <u>\$ 1,080,040,861</u> | <u>\$ 1,170,179,844</u> |
| City of Bismarck Employees Pension Plan | | | | | |
| Net assets beginning of year | \$ 26,354,623 | \$ 22,968,106 | \$ 21,573,002 | \$ 23,006,697 | \$ 23,523,256 |
| Net increase/(decrease) | | | | | |
| in fair value of investments | 3,332,675 | 2,770,138 | 721,533 | (2,192,830) | (1,377,978) |
| Interest, dividends and other income | 649,709 | 683,552 | 735,176 | 827,200 | 937,911 |
| Investment expenses | 108,273 | 71,632 | 65,768 | 73,474 | 83,255 |
| Net securities lending income | 5,048 | 4,459 | 4,163 | 5,409 | 6,763 |
| Net incr/(decr) in net assets resulting from unit transactions | 10,071,655 | - | - | - | - |
| Net assets end of year | <u>\$ 40,305,437</u> | <u>\$ 26,354,623</u> | <u>\$ 22,968,106</u> | <u>\$ 21,573,002</u> | <u>\$ 23,006,697</u> |
| City of Bismarck Police Pension Plan | | | | | |
| Net assets beginning of year | \$ 12,807,676 | \$ 11,077,471 | \$ 10,494,577 | \$ 11,304,692 | \$ 11,704,525 |
| Net increase/(decrease) | | | | | |
| in fair value of investments | 1,519,817 | 1,428,040 | 262,050 | (1,152,914) | (796,598) |
| Interest, dividends and other income | 346,503 | 340,580 | 354,978 | 380,805 | 438,908 |
| Investment expenses | 55,815 | 40,476 | 35,988 | 40,275 | 45,028 |
| Net securities lending income | 2,373 | 2,061 | 1,854 | 2,269 | 2,885 |
| Net incr/(decr) in net assets resulting from unit transactions | 3,880,783 | - | - | - | - |
| Net assets end of year | <u>\$ 18,501,337</u> | <u>\$ 12,807,676</u> | <u>\$ 11,077,471</u> | <u>\$ 10,494,577</u> | <u>\$ 11,304,692</u> |
| Job Service of North Dakota | | | | | |
| Net assets beginning of year | \$ 73,259,542 | \$ 67,303,290 | \$ 60,847,741 | \$ 62,062,970 | \$ 60,815,829 |
| Net increase/(decrease) | | | | | |
| in fair value of investments | 9,452,746 | 6,536,599 | 2,153,287 | (6,167,057) | (4,125,395) |
| Interest, dividends and other income | 1,682,114 | 1,946,003 | 2,077,422 | 2,217,530 | 2,267,013 |
| Investment expenses | 268,358 | 184,664 | 181,548 | 191,608 | 200,498 |
| Net securities lending income | 17,556 | 15,958 | 15,388 | 17,906 | 20,021 |
| Net incr/(decr) in net assets resulting from unit transactions | (2,692,923) | (2,357,644) | 2,391,000 | 2,908,000 | 3,286,000 |
| Net assets end of year | <u>\$ 81,450,677</u> | <u>\$ 73,259,542</u> | <u>\$ 67,303,290</u> | <u>\$ 60,847,741</u> | <u>\$ 62,062,970</u> |
| TOTAL PENSION INVESTMENT POOL | | | | | |
| Net assets beginning of year | \$ 1,417,160,797 | \$ 1,227,444,200 | \$ 1,172,956,181 | \$ 1,266,554,203 | \$ 1,328,934,555 |
| Net increase/(decrease) | | | | | |
| in fair value of investments | 169,175,501 | 167,024,306 | 25,369,011 | (125,453,784) | (102,366,890) |
| Interest, dividends and other income | 36,826,855 | 37,250,488 | 40,119,335 | 41,966,679 | 48,506,145 |
| Investment expenses | 5,748,633 | 4,340,675 | 3,858,345 | 4,033,296 | 4,437,260 |
| Net securities lending income | 285,050 | 240,772 | 217,018 | 264,379 | 331,653 |
| Net incr/(decr) in net assets resulting from unit transactions | (1,740,485) | (10,458,294) | (7,359,000) | (6,342,000) | (4,414,000) |
| Net assets end of year | <u>\$ 1,615,959,085</u> | <u>\$ 1,417,160,797</u> | <u>\$ 1,227,444,200</u> | <u>\$ 1,172,956,181</u> | <u>\$ 1,266,554,203</u> |

SUMMARY OF OPERATIONS INSURANCE INVESTMENT POOL FOR FISCAL YEARS ENDED JUNE 30

| | 2005 | 2004 | 2003 | 2002 | 2001 |
|-------------------------------------------------|-------------------------|-------------------------|-----------------------|-----------------------|-----------------------|
| Workforce Safety & Insurance Fund | | | | | |
| Net assets beginning of year | \$ 1,078,349,677 | \$ 980,192,555 | \$ 906,570,883 | \$ 924,957,230 | \$ 899,472,385 |
| Net increase/(decrease) | | | | | |
| in fair value of investments | 47,067,853 | 59,516,744 | 44,052,887 | (51,653,135) | (27,760,213) |
| Interest, dividends and other income | 34,684,534 | 34,358,320 | 38,713,140 | 38,573,723 | 43,475,209 |
| Investment expenses | 2,393,638 | 2,552,501 | 2,461,558 | 2,344,928 | 2,566,986 |
| Net securities lending income | 489,070 | 334,559 | 317,203 | 537,993 | 536,835 |
| Net incr/(decr) in net assets | | | | | |
| resulting from unit transactions | 10,000,000 | 6,500,000 | (7,000,000) | (3,500,000) | 11,800,000 |
| Net assets end of year | <u>\$ 1,168,197,496</u> | <u>\$ 1,078,349,677</u> | <u>\$ 980,192,555</u> | <u>\$ 906,570,883</u> | <u>\$ 924,957,230</u> |
| State Fire & Tornado Fund | | | | | |
| Net assets beginning of year | \$ 19,607,853 | \$ 16,328,742 | \$ 13,219,551 | \$ 16,640,670 | \$ 15,922,249 |
| Net increase/(decrease) | | | | | |
| in fair value of investments | 857,407 | 1,276,515 | 640,258 | (896,648) | (746,935) |
| Interest, dividends and other income | 730,323 | 596,671 | 578,844 | 603,477 | 777,494 |
| Investment expenses | 60,054 | 50,261 | 39,974 | 36,532 | 46,420 |
| Net securities lending income | 10,148 | 6,186 | 5,063 | 8,584 | 9,282 |
| Net incr/(decr) in net assets | | | | | |
| resulting from unit transactions | 1,700,000 | 1,450,000 | 1,925,000 | (3,100,000) | 725,000 |
| Net assets end of year | <u>\$ 22,845,677</u> | <u>\$ 19,607,853</u> | <u>\$ 16,328,742</u> | <u>\$ 13,219,551</u> | <u>\$ 16,640,670</u> |
| State Bonding Fund | | | | | |
| Net assets beginning of year | \$ 3,772,597 | \$ 5,136,038 | \$ 4,781,300 | \$ 4,909,606 | \$ 4,900,394 |
| Net increase/(decrease) | | | | | |
| in fair value of investments | 130,648 | 264,390 | 181,129 | (303,555) | (201,129) |
| Interest, dividends and other income | 123,768 | 131,611 | 185,032 | 185,119 | 221,523 |
| Investment expenses | 10,057 | 10,792 | 13,044 | 12,508 | 13,867 |
| Net securities lending income | 1,743 | 1,350 | 1,621 | 2,638 | 2,685 |
| Net incr/(decr) in net assets | | | | | |
| resulting from unit transactions | (1,400,000) | (1,750,000) | - | - | - |
| Net assets end of year | <u>\$ 2,618,699</u> | <u>\$ 3,772,597</u> | <u>\$ 5,136,038</u> | <u>\$ 4,781,300</u> | <u>\$ 4,909,606</u> |
| Petroleum Tank Release Compensation Fund | | | | | |
| Net assets beginning of year | \$ 8,958,441 | \$ 8,574,000 | \$ 8,317,667 | \$ 8,632,780 | \$ 8,706,803 |
| Net increase/(decrease) | | | | | |
| in fair value of investments | 317,187 | 653,442 | 278,199 | (484,206) | (342,226) |
| Interest, dividends and other income | 289,064 | 261,312 | 296,926 | 310,995 | 389,458 |
| Investment expenses | 23,799 | 22,988 | 21,392 | 21,265 | 25,890 |
| Net securities lending income | 3,905 | 2,675 | 2,600 | 4,363 | 4,635 |
| Net incr/(decr) in net assets | | | | | |
| resulting from unit transactions | (290,000) | (510,000) | (300,000) | (125,000) | (100,000) |
| Net assets end of year | <u>\$ 9,254,798</u> | <u>\$ 8,958,441</u> | <u>\$ 8,574,000</u> | <u>\$ 8,317,667</u> | <u>\$ 8,632,780</u> |
| Insurance Regulatory Trust Fund | | | | | |
| Net assets beginning of year | \$ 2,690,119 | \$ 2,763,062 | \$ 2,280,579 | \$ 2,327,671 | \$ 2,717,188 |
| Net increase/(decrease) | | | | | |
| in fair value of investments | 77,694 | 87,813 | 37,155 | (142,511) | (53,790) |
| Interest, dividends and other income | 54,367 | 43,323 | 49,452 | 48,598 | 78,012 |
| Investment expenses | 4,699 | 4,500 | 4,572 | 3,734 | 4,421 |
| Net securities lending income | 610 | 421 | 448 | 555 | 682 |
| Net incr/(decr) in net assets | | | | | |
| resulting from unit transactions | 160,000 | (200,000) | 400,000 | 50,000 | (410,000) |
| Net assets end of year | <u>\$ 2,978,091</u> | <u>\$ 2,690,119</u> | <u>\$ 2,763,062</u> | <u>\$ 2,280,579</u> | <u>\$ 2,327,671</u> |

**SUMMARY OF OPERATIONS
INSURANCE INVESTMENT POOL (continued)
FOR FISCAL YEARS ENDED JUNE 30**

| | 2005 | 2004 | 2003 | 2002 | 2001 |
|------------------------------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| ND Health Care Trust Fund | | | | | |
| Net assets beginning of year | \$ 25,498,926 | \$ 28,646,477 | \$ 43,795,649 | \$ - | \$ - |
| Net increase/(decrease) | | | | | |
| in fair value of investments | - | - | (2,021,143) | (2,941,422) | - |
| Interest, dividends and other income | 1,075,658 | 1,209,708 | 1,845,765 | 1,795,032 | - |
| Investment expenses | 2,370 | 3,664 | 47,908 | 134,190 | - |
| Net securities lending income | - | - | 1,823 | 24,468 | - |
| Net incr/(decr) in net assets | | | | | |
| resulting from unit transactions | (7,990,650) | (4,353,595) | (14,927,709) | 45,051,761 | - |
| Net assets end of year | <u>\$ 18,581,564</u> | <u>\$ 25,498,926</u> | <u>\$ 28,646,477</u> | <u>\$ 43,795,649</u> | <u>\$ -</u> |
| Veterans Cemetery Fund | | | | | |
| Net assets beginning of year | \$ 71,103 | \$ 63,417 | \$ 49,627 | \$ 35,697 | \$ 23,998 |
| Net increase/(decrease) | | | | | |
| in fair value of investments | - | - | - | - | - |
| Interest, dividends and other income | 1,956 | 811 | 846 | 999 | 1,618 |
| Investment expenses | 13 | 10 | 11 | 3 | 2 |
| Net securities lending income | - | - | - | - | - |
| Net incr/(decr) in net assets | | | | | |
| resulting from unit transactions | 12,959 | 6,885 | 12,955 | 12,934 | 10,083 |
| Net assets end of year | <u>\$ 86,005</u> | <u>\$ 71,103</u> | <u>\$ 63,417</u> | <u>\$ 49,627</u> | <u>\$ 35,697</u> |
| Veterans Post War Trust Fund | | | | | |
| Net assets beginning of year | \$ 1,341,087 | \$ 1,126,207 | \$ 1,186,374 | \$ 1,424,389 | \$ 1,382,644 |
| Net increase/(decrease) | | | | | |
| in fair value of investments | 279,146 | 200,635 | (31,456) | (254,022) | (175,012) |
| Interest, dividends and other income | 57,769 | 18,286 | 18,832 | 19,106 | 20,381 |
| Investment expenses | 7,310 | 4,293 | 2,656 | 3,132 | 3,677 |
| Net securities lending income | 1,084 | 252 | 113 | 33 | 53 |
| Net incr/(decr) in net assets | | | | | |
| resulting from unit transactions | 1,935,000 | - | (45,000) | - | 200,000 |
| Net assets end of year | <u>\$ 3,606,776</u> | <u>\$ 1,341,087</u> | <u>\$ 1,126,207</u> | <u>\$ 1,186,374</u> | <u>\$ 1,424,389</u> |
| Risk Management Fund | | | | | |
| Net assets beginning of year | \$ 2,968,620 | \$ 2,538,517 | \$ 3,298,707 | \$ 3,532,523 | \$ 5,327,748 |
| Net increase/(decrease) | | | | | |
| in fair value of investments | 144,646 | 60,323 | 102,735 | (205,527) | (177,198) |
| Interest, dividends and other income | 79,971 | 75,280 | 107,014 | 128,818 | 190,789 |
| Investment expenses | 5,961 | 6,181 | 5,623 | 8,943 | 11,172 |
| Net securities lending income | 1,000 | 681 | 684 | 1,836 | 2,356 |
| Net incr/(decr) in net assets | | | | | |
| resulting from unit transactions | (750,000) | 300,000 | (965,000) | (150,000) | (1,800,000) |
| Net assets end of year | <u>\$ 2,438,276</u> | <u>\$ 2,968,620</u> | <u>\$ 2,538,517</u> | <u>\$ 3,298,707</u> | <u>\$ 3,532,523</u> |
| Risk Management Workers Comp Fund | | | | | |
| Net assets beginning of year | \$ 2,679,178 | \$ - | \$ - | \$ - | \$ - |
| Net increase/(decrease) | | | | | |
| in fair value of investments | 68,035 | 124,123 | - | - | - |
| Interest, dividends and other income | 64,068 | 61,166 | - | - | - |
| Investment expenses | 6,125 | 6,729 | - | - | - |
| Net securities lending income | 747 | 618 | - | - | - |
| Net incr/(decr) in net assets | | | | | |
| resulting from unit transactions | 100,000 | 2,500,000 | - | - | - |
| Net assets end of year | <u>\$ 2,905,903</u> | <u>\$ 2,679,178</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

SUMMARY OF OPERATIONS
INSURANCE INVESTMENT POOL (continued)
FOR FISCAL YEARS ENDED JUNE 30

| | 2005 | 2004 | 2003 | 2002 | 2001 |
|--------------------------------------------------------|---------------------|---------------------|---------------------|-------------------|---------------------|
| ND Association of Counties Fund | | | | | |
| Net assets beginning of year | \$ 306,518 | \$ 273,797 | \$ 257,665 | \$ 271,137 | \$ 539,481 |
| Net increase/(decrease) | | | | | |
| in fair value of investments | 20,629 | 25,891 | 8,441 | (21,265) | (16,410) |
| Interest, dividends and other income | 10,059 | 8,525 | 9,280 | 9,323 | 14,042 |
| Investment expenses | 1,941 | 1,786 | 1,672 | 1,666 | 1,891 |
| Net securities lending income | 144 | 91 | 83 | 136 | 190 |
| Net incr/(decr) in net assets | | | | | |
| resulting from unit transactions | 50,000 | - | - | - | (264,275) |
| Net assets end of year | <u>\$ 385,409</u> | <u>\$ 306,518</u> | <u>\$ 273,797</u> | <u>\$ 257,665</u> | <u>\$ 271,137</u> |
| ND Association of Counties Program Savings Fund | | | | | |
| Net assets beginning of year | \$ 325,508 | \$ 290,719 | \$ 273,574 | \$ 287,382 | \$ 1,402,703 |
| Net increase/(decrease) | | | | | |
| in fair value of investments | 18,684 | 27,475 | 8,916 | (22,143) | (15,308) |
| Interest, dividends and other income | 10,661 | 9,053 | 9,855 | 9,901 | 12,713 |
| Investment expenses | 1,996 | 1,835 | 1,714 | 1,709 | 1,857 |
| Net securities lending income | 152 | 96 | 88 | 143 | 156 |
| Net incr/(decr) in net assets | | | | | |
| resulting from unit transactions | 50,000 | - | - | - | (1,111,025) |
| Net assets end of year | <u>\$ 403,009</u> | <u>\$ 325,508</u> | <u>\$ 290,719</u> | <u>\$ 273,574</u> | <u>\$ 287,382</u> |
| PERS Group Insurance Fund | | | | | |
| Net assets beginning of year | \$ 286,269 | \$ 133,981 | \$ 57,641 | \$ 1,544,733 | \$ 119,122 |
| Net increase/(decrease) | | | | | |
| in fair value of investments | - | - | - | - | - |
| Interest, dividends and other income | 135,190 | 53,303 | 58,525 | 95,512 | 191,229 |
| Investment expenses | 1,064 | 1,015 | 1,013 | 1,004 | 1,066 |
| Net securities lending income | - | - | - | - | - |
| Net incr/(decr) in net assets | | | | | |
| resulting from unit transactions | 950,000 | 100,000 | 18,828 | (1,581,600) | 1,235,448 |
| Net assets end of year | <u>\$ 1,370,395</u> | <u>\$ 286,269</u> | <u>\$ 133,981</u> | <u>\$ 57,641</u> | <u>\$ 1,544,733</u> |
| City of Bismarck Deferred Sick Leave Fund | | | | | |
| Net assets beginning of year | \$ 660,487 | \$ 607,608 | \$ 559,779 | \$ 566,032 | \$ 558,682 |
| Net increase/(decrease) | | | | | |
| in fair value of investments | 28,817 | 33,526 | 26,238 | (27,731) | (17,621) |
| Interest, dividends and other income | 24,078 | 21,800 | 23,875 | 23,530 | 27,154 |
| Investment expenses | 2,769 | 2,673 | 2,491 | 2,397 | 2,529 |
| Net securities lending income | 349 | 226 | 207 | 345 | 346 |
| Net incr/(decr) in net assets | | | | | |
| resulting from unit transactions | - | - | - | - | - |
| Net assets end of year | <u>\$ 710,962</u> | <u>\$ 660,487</u> | <u>\$ 607,608</u> | <u>\$ 559,779</u> | <u>\$ 566,032</u> |
| City of Fargo FargoDome Permanent Fund | | | | | |
| Net assets beginning of year | \$ 5,863,757 | \$ 4,307,480 | \$ - | \$ - | \$ - |
| Net increase/(decrease) | | | | | |
| in fair value of investments | 274,460 | 419,447 | 438,029 | - | - |
| Interest, dividends and other income | 192,967 | 149,299 | 95,346 | - | - |
| Investment expenses | 17,144 | 13,802 | 8,639 | - | - |
| Net securities lending income | 2,336 | 1,333 | 617 | - | - |
| Net incr/(decr) in net assets | | | | | |
| resulting from unit transactions | 1,000,000 | 1,000,000 | 3,782,127 | - | - |
| Net assets end of year | <u>\$ 7,316,376</u> | <u>\$ 5,863,757</u> | <u>\$ 4,307,480</u> | <u>\$ -</u> | <u>\$ -</u> |

**SUMMARY OF OPERATIONS
INSURANCE INVESTMENT POOL (continued)
FOR FISCAL YEARS ENDED JUNE 30**

| | 2005 | 2004 | 2003 | 2002 | 2001 |
|----------------------------------------|-------------------------|-------------------------|-------------------------|-----------------------|-----------------------|
| TOTAL INSURANCE INVESTMENT POOL | | | | | |
| Net assets beginning of year | \$ 1,153,380,140 | \$ 1,050,982,600 | \$ 984,648,996 | \$ 965,129,850 | \$ 941,073,397 |
| Net increase/(decrease) | | | | | |
| in fair value of investments | 49,285,206 | 62,690,324 | 43,721,388 | (56,952,165) | (29,505,842) |
| Interest, dividends and other income | 37,534,433 | 36,998,468 | 41,992,732 | 41,804,133 | 45,399,622 |
| Investment expenses | 2,538,940 | 2,683,030 | 2,612,267 | 2,572,011 | 2,679,778 |
| Net securities lending income | 511,288 | 348,488 | 330,550 | 581,094 | 557,220 |
| Net incr/(decr) in net assets | | | | | |
| resulting from unit transactions | 5,527,309 | 5,043,290 | (17,098,799) | 36,658,095 | 10,285,231 |
| Net assets end of year | <u>\$ 1,243,699,436</u> | <u>\$ 1,153,380,140</u> | <u>\$ 1,050,982,600</u> | <u>\$ 984,648,996</u> | <u>\$ 965,129,850</u> |